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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. **1234**

02/02/2023 Authored by Her, Frazier, Long, Hortman, Frederick and others
The bill was read for the first time and referred to the Committee on Public Safety Finance and Policy
03/13/2023 Adoption of Report: Amended and re-referred to the Committee on Judiciary Finance and Civil Law
03/15/2023 Adoption of Report: Re-referred to the Committee on State and Local Government Finance and Policy
03/20/2023 Adoption of Report: Re-referred to the Committee on Ways and Means
04/25/2023 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time

1.1 A bill for an act

1.2 relating to labor; modifying peace officer and firefighter duty disability provisions;

1.3 requiring a report; appropriating money; amending Minnesota Statutes 2022,

1.4 sections 299A.42; 299A.465, subdivision 4; 352B.10, subdivisions 1, 2a, 4;

1.5 352B.101; 353.01, subdivision 47; 353.031, subdivisions 1, 3, 4, 8, 9; 353.335;

1.6 353.656, subdivisions 1, 1a, 1b, 3, 3a, 4, 6a, 10; proposing coding for new law in

1.7 Minnesota Statutes, chapters 352B; 353; 626; repealing Minnesota Statutes 2022,

1.8 section 353.656, subdivisions 2, 2a.

1.9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.10 Section 1. Minnesota Statutes 2022, section 299A.42, is amended to read:

1.11 **299A.42 PUBLIC SAFETY OFFICER'S BENEFIT ACCOUNT.**

1.12 Subdivision 1. Public safety officer's benefit account. The public safety officer's benefit

1.13 account is created in the state treasury. Money in the account consists of money transferred

1.14 and appropriated to that account. Money in the account that is not expended in the fiscal

1.15 year in which it is transferred or appropriated does not revert to the general fund until claims

1.16 for reimbursement under section 299A.465 that are submitted in that fiscal year are either

1.17 paid or denied.

1.18 Subd. 2. Annual report. The commissioner of public safety must annually report, no

1.19 later than 30 days after the end of each fiscal year, to the chairs and ranking minority

1.20 members of the legislative committees with jurisdiction over public safety and pensions

1.21 regarding the financial status of the public safety officer's benefit account; the reimbursements

1.22 paid by the commissioner during the preceding fiscal year under sections 299A.465,

1.23 352B.102, and 353.032; and payments, if any, made during the preceding fiscal year under

1.24 sections 352B.103 and 353.033. If the commissioner anticipates, based on historical averages,

1.25 that the public safety officer's benefit account will not have enough money to fund all

2.1 reimbursements the commissioner reasonably anticipates will be requested under sections
2.2 299A.465, 352B.102, and 353.032 and payments for which invoices will be received under
2.3 sections 352B.103 and 353.033 for the current and next fiscal year, the commissioner must
2.4 include in the report the amounts the commissioner believes are necessary to fund the
2.5 anticipated reimbursements and payments.

2.6 Sec. 2. Minnesota Statutes 2022, section 299A.465, subdivision 4, is amended to read:

2.7 Subd. 4. **Public employer reimbursement.** (a) A public employer subject to this section
2.8 may annually apply by August 1 for the preceding fiscal year to the commissioner of public
2.9 safety for reimbursement to help defray a portion of its costs of complying with this section
2.10 and sections 352B.102 and 353.032. Except as provided for in paragraph (b), the
2.11 commissioner shall provide an equal pro-rata share reimbursement to the public employer
2.12 out of the public safety officer's benefit account, based on the availability of funds for each
2.13 eligible officer, firefighter, and qualifying dependents. Individual shares must not exceed
2.14 the actual costs of providing coverage under this section by a public employer.

2.15 (b) Beginning on January 1, 2024, a public employer is not eligible for reimbursement
2.16 under paragraph (a) unless the employer provides at least one of the following:

2.17 (1) annual wellness training to peace officers and firefighters who either are employed
2.18 or volunteer for the employer; or

2.19 (2) an employee assistance program or peer support program.

2.20 (c) Wellness training for peace officers under paragraph (b), clause (1), must incorporate
2.21 the learning objectives established by the Peace Officer Standards and Training Board under
2.22 section 626.8478. No later than February 1, 2024, the Minnesota Fire Initiative must create
2.23 a wellness training program for public employers to offer to firefighters to satisfy the
2.24 requirements of paragraph (b). Training programs established in the Hometown Heroes
2.25 Assistance Program under section 299A.477, subdivision 2, clause (4), satisfy the
2.26 requirements of paragraph (b).

2.27 **EFFECTIVE DATE.** This section is effective July 1, 2023.

2.28 Sec. 3. Minnesota Statutes 2022, section 352B.10, subdivision 1, is amended to read:

2.29 Subdivision 1. **Duty disability.** (a) A member who is determined to qualify for duty
2.30 disability as defined in section 352B.011, subdivision 7, is entitled to receive a duty disability
2.31 benefit while disabled. The benefits must be paid monthly. The duty disability benefit is an
2.32 amount equal to the member's average monthly salary multiplied by 60 percent, plus an

3.1 additional 3.0 percent for each year and pro rata for completed months of service in excess
3.2 of 20 years, if any.

3.3 (b) Notwithstanding paragraph (a), if the member has applied for a duty disability based
3.4 on a psychological condition, the application must be supported by evidence that the applicant
3.5 is unable to perform the duties of the position held by the applicant on the date of the injury
3.6 or event or the onset of the mental illness or of another position with the employer which
3.7 provides salary and employer-provided benefits, including pension benefits, that are equal
3.8 to or greater than those for the position held by the employee on the date of the injury, event,
3.9 or onset of the mental illness.

3.10 **EFFECTIVE DATE.** This section is effective July 1, 2023.

3.11 Sec. 4. Minnesota Statutes 2022, section 352B.10, subdivision 2a, is amended to read:

3.12 Subd. 2a. **Applying for benefits; accrual.** No application for disability benefits shall
3.13 be made until after the last day physically on the job. The disability benefit begins to accrue
3.14 the day following the last day for which the employee is paid sick leave or annual leave but
3.15 not earlier than 180 days before the date the application is filed. A member who is terminated
3.16 must file a written application in an office of the system or with a person authorized by the
3.17 executive director. Except as otherwise specified under section 352B.102, applications must
3.18 comply with section 352.113, subdivision 2, paragraph (b).

3.19 **EFFECTIVE DATE.** This section is effective July 1, 2023.

3.20 Sec. 5. Minnesota Statutes 2022, section 352B.10, subdivision 4, is amended to read:

3.21 Subd. 4. **Proof of disability.** (a) No disability benefits may be paid unless the member
3.22 provides adequate proof to the executive director of the existence of the disability.

3.23 (b) Adequate proof of a disability must include a written expert report by a licensed
3.24 physician, an APRN, or a licensed chiropractor, or with respect to a mental impairment, by
3.25 a licensed psychologist. Adequate proof of a disability based on a psychological condition,
3.26 as defined under section 352B.102, subdivision 1, clause (6), must include the medical
3.27 reports and assessments required under section 352B.102.

3.28 (c) Following the commencement of benefit payments, the executive director has the
3.29 right, at reasonable times, to require the disability benefit recipient to submit proof of the
3.30 continuance of the disability claimed.

3.31 **EFFECTIVE DATE.** This section is effective July 1, 2023.

4.1 Sec. 6. Minnesota Statutes 2022, section 352B.101, is amended to read:

4.2 **352B.101 APPLICATION FOR DISABILITY BENEFIT.**

4.3 (a) Except as otherwise specified under section 352B.102 and paragraph (b), a member
4.4 claiming a disability benefit must file a written application for benefits in the office of the
4.5 system in a form and manner prescribed by the executive director. The member shall provide
4.6 medical or psychological evidence to support the application. The benefit begins to accrue
4.7 the day following the start of disability or the day following the last day for which the
4.8 member was paid, whichever is later, but not earlier than 180 days before the date the
4.9 application is filed with the executive director.

4.10 (b) Notwithstanding any law to the contrary, an employee, as defined in section 352B.102,
4.11 subdivision 1, clause (2), who applies for a duty disability benefit based on a psychological
4.12 condition, as defined in section 352B.102, subdivision 1, clause (6), is not eligible for duty
4.13 disability benefits under this chapter until the employee has satisfied the additional procedure,
4.14 including all completion of treatment requirements under section 352B.102.

4.15 **EFFECTIVE DATE.** This section is effective July 1, 2023.

4.16 Sec. 7. **[352B.102] APPLICATION FOR PSYCHOLOGICAL CONDITION**
4.17 **TREATMENT.**

4.18 Subdivision 1. Definitions. For the purposes of this section, the following terms have
4.19 the meanings given:

4.20 (1) "mental illness" means the diagnosis of a mental illness by a mental health
4.21 professional, by meeting the criteria for a condition or conditions included in the most recent
4.22 edition of the Diagnostic and Statistical Manual of Mental Disorders published by the
4.23 American Psychiatric Association;

4.24 (2) "employee" means an individual diagnosed with a mental illness who is a:

4.25 (i) current member under section 352B.011, subdivision 10; or

4.26 (ii) former member under section 352B.011, subdivision 10, within 18 months of
4.27 termination of employment;

4.28 (3) "employing entity" means the entity that pays a state employee's salary and remits
4.29 retirement contributions;

4.30 (4) "mental health professional" has the meaning given in section 245I.02, subdivision
4.31 27;

5.1 (5) "peace officer" has the meaning given in section 299A.465, subdivision 5, paragraph
5.2 (a);

5.3 (6) "psychological condition" means a mental illness as defined in clause (1); and

5.4 (7) "treatment" includes but is not limited to active participation in psychological,
5.5 psychopharmaceutical, and functional neurological approaches and active participation in
5.6 the International Association of Fire Fighters Center of Excellence for Behavioral Health
5.7 Treatment and Recovery. Treatment includes utilization of multiple treatment modalities,
5.8 including chemical dependency treatment when indicated, and evidence-based trauma
5.9 treatment.

5.10 Subd. 2. **Application; dual diagnosis.** (a) Notwithstanding any law to the contrary, and
5.11 except as provided in paragraph (b), the procedure in this section applies to an application
5.12 for a duty disability by an employee based on the employee's psychological condition.

5.13 (b) The additional procedure in this section does not apply to a duty disability application
5.14 under paragraph (a) that is also based on a dual diagnosis of a physical condition. An
5.15 employee with a dual diagnosis may, but is not required to, seek treatment under subdivisions
5.16 4 and 7, subject to the procedure in this section.

5.17 Subd. 3. **Approval.** (a) An employee who applies for treatment of a psychological
5.18 condition that was a result of the performance of duties related to the employee's occupation
5.19 must receive approval for psychological treatment as provided under this subdivision.

5.20 (b) The executive director shall grant approval to an employee who submits, in the form
5.21 and manner specified by the executive director:

5.22 (1) a report by a mental health professional diagnosing the employee with a mental
5.23 illness and finding that the employee is currently unable to perform the normal duties of
5.24 the position held by the employee on the date of the injury, event, or onset of the mental
5.25 illness on a full- or part-time basis; and

5.26 (2) documentation from the employer certifying the dates the employee was on duty in
5.27 a position covered under the State Patrol plan.

5.28 (c) An employee who receives approval under this subdivision is not considered disabled
5.29 for the purposes of a duty disability under section 352B.10, unless the employee completes
5.30 the additional requirements under this section, receives final confirmation under subdivision
5.31 6, and applies for disability benefits under section 352B.101 before receiving duty disability
5.32 benefits or related benefits.

6.1 (d) Within six business days after the application has been received by the executive
6.2 director, the executive director must notify an employing entity electronically and by mail
6.3 that an application for treatment of a psychological condition has been submitted by an
6.4 employee and request the certification required under paragraph (b), clause (2), from the
6.5 employing entity.

6.6 (e) An employer shall submit the certification required under paragraph (b), clause (2),
6.7 within five business days of an employee's application, and the employee shall receive
6.8 approval no later than 14 business days after the employee's application is received by the
6.9 executive director, whether or not the employer's certification has been submitted. Nothing
6.10 in this paragraph shall delay the treatment of the psychological condition of the employee.

6.11 **Subd. 4. Treatment required.** (a) Except as provided in paragraph (f), an employee
6.12 who receives approval under subdivision 3 shall complete up to 24 consecutive weeks of
6.13 active treatment modalities for the employee's diagnosed mental illness, as provided under
6.14 this subdivision, before a final confirmation can be made under subdivision 6, paragraph
6.15 (a). An employee's treatment shall be at the direction of a mental health professional using
6.16 treatment modalities indicated for the treatment of the diagnosed mental illness. An employee
6.17 shall not be penalized for an interruption in active, consecutive treatment that is not initiated
6.18 by or resulting from an intentional action of the employee. Subject to the limit under
6.19 subdivision 9, the employing entity shall pay for the treatment costs and may seek
6.20 reimbursement from the commissioner of public safety.

6.21 (b) The employee's mental health professional must assess the employee's progress in
6.22 treatment monthly and at the end of the 24 weeks or earlier, including any change to the
6.23 employee's ability to return to the position held by the employee on the date of the injury,
6.24 event, or onset of the mental illness, or to another position with the employing entity which
6.25 provides salary and employing entity-provided benefits, including pension benefits, that
6.26 are equal to or greater than those for the position held by the employee on the date of the
6.27 injury, event, or onset of the mental illness. A final confirmation under subdivision 6 must
6.28 be supported by a report from the employee's mental health provider containing an opinion
6.29 about the employee's prognosis, the duration of the disability, and the expectations for
6.30 improvement following the treatment. A report that does not contain and support a finding
6.31 that the employee's disability as a result of a psychological condition will last for at least
6.32 12 months must not be relied upon to support approval of duty disability benefits.

6.33 (c) The employee may return to full- or part-time work prior to the completion of the
6.34 24 weeks of treatment if the employee's mental health professional determines that the
6.35 employee is medically able to do so.

7.1 (d) The employee may return to light duty assignments, subject to availability of a
7.2 position, prior to the completion of the 24 weeks of treatment, if deemed medically
7.3 appropriate by the employee's mental health professional and with the employing entity's
7.4 approval.

7.5 (e) A fitness for duty presumption shall apply to an employee who is cleared to return
7.6 to work or light duty under paragraph (c) or (d), except as provided under subdivision 10.

7.7 (f) No employee shall be required to complete treatment under this subdivision more
7.8 than three times in ten years.

7.9 **Subd. 5. Continuation of salary and benefits.** (a) Subject to subdivision 9, for the
7.10 period that an employee is seeking psychological condition treatment approval under
7.11 subdivision 3 or 6, appealing a determination thereof, or receiving treatment under
7.12 subdivision 4 or 7, the employing entity shall continue:

7.13 (1) to pay, for a current employee only, the employee's full salary and employing
7.14 entity-provided benefits, including any employing entity contribution to health care and
7.15 retirement benefits. The employing entity must proportionally reduce the salary paid to an
7.16 employee who is otherwise receiving benefits for the disability that provide compensation
7.17 for all or a portion of the employee's salary for the same time period. Nothing in this
7.18 paragraph requires an employing entity to pay more than 100 percent of the employee's
7.19 salary;

7.20 (2) to provide health insurance benefits to the employee and to the employee's dependents,
7.21 if the employee was receiving dependent coverage at the time of the injury, event, or onset
7.22 of the mental illness under the employing entity's group health plan; and

7.23 (3) to provide any other employment benefits provided to the employee under the
7.24 employee's currently applicable collective bargaining agreement.

7.25 (b) The treatment period required under subdivision 4 or 7 is allowable service under
7.26 section 352B.011, subdivision 3.

7.27 (c) Nothing in this section prevents an employing entity from providing benefits in
7.28 addition to those required by this section or otherwise affects an employee's rights with
7.29 respect to any other employment benefit.

7.30 (d) If an employee is unable to receive treatment through the prescribed treatment
7.31 program due to circumstances beyond the employee's control, which includes but is not
7.32 limited to a lack of availability of a mental health facility or a mental health professional,
7.33 the employee shall continue to receive their regular compensation, benefits, and retirement

8.1 service credits until such mental health facility or mental health professional becomes
8.2 available to the employee for their treatment program. The continuation of salary and benefits
8.3 allowed under this paragraph must not exceed 30 days beyond the day treatment is prescribed,
8.4 except that the continuation of benefits and salary may be extended beyond 30 days if written
8.5 documentation from the mental health facility or mental health professional providing the
8.6 treatment start date is submitted by the employee to the executive director and the employer.

8.7 Subd. 6. **Termination or continuation of psychological condition treatment.** (a)
8.8 Following completion of treatment under subdivision 4, the executive director shall confirm
8.9 the treatment requirements are satisfied and make one of the following determinations:

8.10 (1) continue the approval for an additional eight weeks for the employee to complete
8.11 additional treatment, as provided under subdivision 7;

8.12 (2) terminate the psychological condition treatment because the employee is:

8.13 (i) able to return to full-time work in the position held by the employee on the date of
8.14 the injury, event, or onset of the mental illness; or

8.15 (ii) able to return to another vacant full-time position with the employer which provides
8.16 salary and employer-provided benefits, including pension benefits, that are equal to or
8.17 greater than those for the position held by the employee on the date of the injury, event, or
8.18 onset of the mental illness, as certified by the employer in the form and manner specified
8.19 by the executive director; or

8.20 (3) confirm the employee has met the requirements under this section, after which the
8.21 employee may apply for a duty disability benefit under section 352B.10.

8.22 (b) After confirmation and application under paragraph (a), clause (3), the executive
8.23 director must approve the employee's application for disability benefits if the employee is
8.24 eligible under sections 352B.10 and 352B.101, at which time the employee is entitled to
8.25 receive disability benefits as provided under section 352B.10 and any related benefits. The
8.26 disability benefit begins to accrue the day following the day on which the employer ceases
8.27 to continue salary and benefits under subdivision 5 or the date permitted under section
8.28 352B.10, subdivision 2a, whichever is later.

8.29 (c) Following completion of the additional treatment requirements under subdivision 7,
8.30 if applicable, the executive director must confirm the additional treatment requirements are
8.31 satisfied, after which, the employee may apply for disability benefits. The executive director
8.32 must approve the employee's application for disability benefits if the employee is eligible
8.33 under sections 352B.10 and 352B.101, at which time the employee is entitled to receive

9.1 disability benefits as provided under section 352B.10 and any related benefits. The disability
9.2 benefit begins to accrue the day following the day on which the employer ceases to continue
9.3 salary and benefits under subdivision 5 or the date permitted under section 352B.10,
9.4 subdivision 2a, whichever is later.

9.5 (d) A fitness for duty presumption shall apply to an employee who is determined able
9.6 to return to work as provided under paragraph (a), clause (2), except as provided under
9.7 subdivision 10.

9.8 Subd. 7. **Additional treatment.** (a) Except as provided in paragraph (g), if, after
9.9 completing the treatment required under subdivision 4, the mental health professional's
9.10 report determines that the employee is making progress in treatment, and the employee's
9.11 prognosis is expected to further improve with additional treatment, the executive director
9.12 shall continue the employee's initial approval under subdivision 6, paragraph (a), clause
9.13 (1), and the employee shall complete up to an additional eight consecutive weeks of active
9.14 treatment modalities as provided under this subdivision.

9.15 (b) Treatment shall be at the direction of a mental health professional using treatment
9.16 modalities indicated for the treatment of the employee's diagnosed mental illness. An
9.17 employee shall not be penalized for an interruption in active, consecutive treatment that is
9.18 not initiated by or resulting from an intentional action of the employee. Subject to subdivision
9.19 9, the employing entity shall pay for the treatment costs and may seek reimbursement from
9.20 the commissioner of public safety.

9.21 (c) The employee's mental health professional must assess the employee's progress in
9.22 treatment at the end of eight weeks, including any change to the employee's ability to return
9.23 to the position held by the employee on the date of the injury, event, or onset of the mental
9.24 illness, or to another position with the employing entity which provides salary and employing
9.25 entity-provided benefits, including pension benefits, that are equal to or greater than those
9.26 for the position held by the employee on the date of the injury, event, or onset of the mental
9.27 illness. A final confirmation under subdivision 6, paragraph (c), must be supported by an
9.28 updated report from the employee's mental health provider containing an opinion about the
9.29 employee's prognosis, the duration of the disability, and the expectations for improvement
9.30 following the additional treatment. An updated report that does not contain and support a
9.31 finding that the employee's disability as a result of a psychological condition will last for
9.32 at least 12 months must not be relied upon to support approval of duty disability benefits.

10.1 (d) The employee may return to full- or part-time work prior to the completion of the
10.2 eight weeks of treatment if the employee's mental health professional determines that they
10.3 are medically able to do so.

10.4 (e) The employee may return to light duty assignments, subject to availability of a
10.5 position, prior to the completion of the eight weeks of treatment, if deemed medically
10.6 appropriate by the employee's mental health professional and with the employing entity's
10.7 approval.

10.8 (f) A fitness for duty presumption shall apply to an employee who is cleared to return
10.9 to work or light duty under paragraph (d) or (e), except as provided under subdivision 10.

10.10 (g) No employee shall be required to complete treatment under this subdivision more
10.11 than three times in ten years.

10.12 Subd. 8. **Treatment data.** A "health record," as defined by section 144.291, subdivision
10.13 2, paragraph (c), arising from treatment sought under this section is classified as private
10.14 data on individuals, as defined by section 13.02, subdivision 12, and must not be accessed
10.15 by, shared with, or disclosed or disseminated to any individual, private entity, or government
10.16 entity, including through discovery, search warrant, or subpoena, in any type of investigation
10.17 or legal action.

10.18 Subd. 9. **Employing entity reimbursement; limit.** (a) Except as provided in paragraph
10.19 (c), an employing entity subject to this section may annually apply by August 1 for the
10.20 preceding fiscal year to the commissioner of public safety for reimbursement of:

10.21 (1) the treatment costs incurred by the employing entity under subdivision 4 or 7; and

10.22 (2) the costs incurred to continue salary and benefits as required under subdivision 5.

10.23 (b) An employing entity must apply for the reimbursement in the form and manner
10.24 specified by the commissioner of public safety.

10.25 (c) No employing entity shall be required to pay for the salary, benefits, and treatment
10.26 costs required under subdivisions 4, 5, and 7 for a single employee more than three times
10.27 in ten years.

10.28 Subd. 10. **Fitness for duty presumption.** (a) An employee who is cleared or determined
10.29 able to return to work or light duty under subdivision 4, paragraph (e); 6, paragraph (c); or
10.30 7, paragraph (f), is presumed fit for duty, except as follows:

10.31 (1) an employing entity may request a fitness for duty exam by an independent medical
10.32 provider if the exam is completed within six weeks of the employing entity receiving the

11.1 determination from the treating mental health professional, and the independent medical
11.2 provider's report is completed no more than six weeks later;

11.3 (2) an employee found unfit for duty by an independent medical provider under clause
11.4 (1):

11.5 (i) is presumed eligible for a duty disability, as provided under subdivision 6, paragraph
11.6 (a), clause (3); or

11.7 (ii) may appeal the independent medical provider's determination by requesting an
11.8 examination under paragraph (c); and

11.9 (3) the fitness-for-duty timeline under this paragraph may be modified by mutual
11.10 agreement of the employing entity and employee.

11.11 (b) Nothing in this section shall be deemed to affect the Americans with Disabilities
11.12 Act, United States Code, title 42, chapter 126; the Family Medical Leave Act, United States
11.13 Code, title 29, chapter 28; or the Minnesota Human Rights Act, chapter 363A.

11.14 (c) An employee who wishes to appeal the independent medical provider's determination
11.15 under paragraph (a), clause (2), item (ii), may request an examination by a qualified
11.16 professional selected by the employee from a panel established by mutual agreement among
11.17 the League of Minnesota Cities, the Association of Minnesota Counties, the Minnesota
11.18 Peace and Police Officers Association, the Minnesota Professional Fire Fighters Association,
11.19 the Minnesota Chiefs of Police Association, and the Minnesota Law Enforcement
11.20 Association. The panel shall consist of five licensed psychiatrists or psychologists who have
11.21 expertise regarding psychological or emotional disorders and who are qualified to opine as
11.22 to the employee's fitness to engage in police or firefighting duties. The agreed upon panel
11.23 of qualified professionals must be submitted to the executive director and made available
11.24 for use in the appeal process. If the employee fails to select a qualified professional from
11.25 the panel within ten days of any notice of appeal, the employing entity may select the
11.26 qualified professional from the panel. A determination made by a qualified professional
11.27 under this paragraph is binding and not subject to appeal. The panel may be the same panel
11.28 as the panel established under section 353.032, subdivision 10.

11.29 Subd. 11. **Report.** No later than four years after the day following final enactment of
11.30 this act, the executive director, in coordination with employing entities, employees, and
11.31 mental health professionals, shall submit a report to the chairs and ranking minority members
11.32 of the legislative committees with jurisdiction over labor and pensions regarding the impact
11.33 of this section on public safety duty disability trends and costs.

12.1 Subd. 12. **Relationship to workers' compensation.** Nothing in this section shall be
 12.2 construed to affect the procedures for an employee's claim for workers' compensation
 12.3 benefits under chapter 176 or diminish or delay an employer's or insurer's obligations related
 12.4 to an employee's claim for workers' compensation benefits under chapter 176, except that
 12.5 when an employee receives psychological condition treatment pursuant to an application
 12.6 approved under subdivision 3, the treatment is not compensable under chapter 176.

12.7 **EFFECTIVE DATE.** This section is effective July 1, 2023.

12.8 Sec. 8. **[352B.103] PSYCHOLOGICAL CONDITION TREATMENT ACCOUNT.**

12.9 Subdivision 1. **Account created and money appropriated.** The MSRS psychological
 12.10 condition treatment account is created in the special revenue fund. Money in the account is
 12.11 appropriated to the executive director of the Minnesota State Retirement System for
 12.12 administration of the psychological condition treatment under section 352B.102.

12.13 Subd. 2. **Account to defray administrative costs.** The executive director of the
 12.14 Minnesota State Retirement System must pay the costs of administering the psychological
 12.15 condition treatment under section 352B.102 using the money in the MSRS psychological
 12.16 condition treatment account under subdivision 1 until the money is expended.

12.17 Subd. 3. **Commissioner of public safety to pay costs when account is depleted.** When
 12.18 the MSRS psychological condition treatment account is depleted, the executive director of
 12.19 the Minnesota State Retirement System may invoice the commissioner of public safety for
 12.20 the costs of administering the psychological condition treatment under section 352B.102.
 12.21 The commissioner must pay invoices submitted by the executive director of the Minnesota
 12.22 State Retirement System from the public safety officer's benefit account under section
 12.23 299A.42 within 30 days of receipt.

12.24 **EFFECTIVE DATE.** This section is effective July 1, 2023.

12.25 Sec. 9. Minnesota Statutes 2022, section 353.01, subdivision 47, is amended to read:

12.26 Subd. 47. **Vesting.** (a) "Vesting" means obtaining a nonforfeitable entitlement to an
 12.27 annuity or benefit from a retirement plan administered by the ~~Public Employees Retirement~~
 12.28 association by having credit for sufficient allowable service under paragraph (b), (c), or (d),
 12.29 whichever applies.

12.30 (b) For purposes of qualifying for an annuity or benefit as a basic or coordinated plan
 12.31 member of the general employees retirement plan of the ~~Public Employees Retirement~~
 12.32 association:

13.1 (1) a public employee who first became a member of the association before July 1, 2010,
13.2 is 100 percent vested when the person has accrued credit for not less than three years of
13.3 allowable service in the general employees retirement plan; and

13.4 (2) a public employee who first becomes a member of the association after June 30,
13.5 2010, is 100 percent vested when the person has accrued credit for not less than five years
13.6 of allowable service in the general employees retirement plan.

13.7 (c) For purposes of qualifying for an annuity or benefit as a member of the local
13.8 government correctional service retirement plan:

13.9 (1) a public employee who first became a member of the association before July 1, 2010,
13.10 is 100 percent vested when the person has accrued credit for not less than three years of
13.11 allowable service in the local government correctional service retirement plan; and

13.12 (2) a public employee who first becomes a member of the association after June 30,
13.13 2010, is vested at the following percentages when the person has accrued credit for allowable
13.14 service in the local government correctional service retirement plan, as follows:

13.15 (i) 50 percent after five years;

13.16 (ii) 60 percent after six years;

13.17 (iii) 70 percent after seven years;

13.18 (iv) 80 percent after eight years;

13.19 (v) 90 percent after nine years; and

13.20 (vi) 100 percent after ten years.

13.21 (d) For purposes of qualifying for an annuity or benefit as a member of the ~~public~~
13.22 ~~employees~~ police and fire retirement plan:

13.23 (1) a public employee who first became a member of the association before July 1, 2010,
13.24 is 100 percent vested when the person has accrued credit for not less than three years of
13.25 allowable service in the public employees police and fire retirement plan; and

13.26 (2) a public employee who first becomes a member of the association after June 30,
13.27 2010, ~~and before July 1, 2014~~, is vested at the following percentages when the person has
13.28 accrued credited allowable service in the ~~public employees~~ police and fire ~~retirement~~ plan,
13.29 as follows:

13.30 (i) 50 percent after five years;

13.31 (ii) 60 percent after six years;

14.1 (iii) 70 percent after seven years;

14.2 (iv) 80 percent after eight years;

14.3 (v) 90 percent after nine years; and

14.4 (vi) 100 percent after ten years; ~~and.~~

14.5 ~~(3) a public employee who first becomes a member of the association after June 30,~~

14.6 ~~2014, is vested at the following percentages when the person has accrued credit for allowable~~

14.7 ~~service in the public employees police and fire retirement plan, as follows:~~

14.8 ~~(i) 50 percent after ten years;~~

14.9 ~~(ii) 55 percent after 11 years;~~

14.10 ~~(iii) 60 percent after 12 years;~~

14.11 ~~(iv) 65 percent after 13 years;~~

14.12 ~~(v) 70 percent after 14 years;~~

14.13 ~~(vi) 75 percent after 15 years;~~

14.14 ~~(vii) 80 percent after 16 years;~~

14.15 ~~(viii) 85 percent after 17 years;~~

14.16 ~~(ix) 90 percent after 18 years;~~

14.17 ~~(x) 95 percent after 19 years; and~~

14.18 ~~(xi) 100 percent after 20 or more years.~~

14.19 **EFFECTIVE DATE.** This section is effective the day following final enactment for

14.20 all members, as defined under Minnesota Statutes, section 353.01, subdivision 7, of the

14.21 police and fire plan, and all former members, as defined under Minnesota Statutes, section

14.22 353.01, subdivision 7a, of the police and fire plan who have not begun to receive a retirement

14.23 annuity.

14.24 Sec. 10. Minnesota Statutes 2022, section 353.031, subdivision 1, is amended to read:

14.25 Subdivision 1. **Application.** (a) This section applies to all disability determinations for

14.26 the public employees general fund, the public employees police and fire fund, and the local

14.27 government correctional service retirement plan and any other disability determination

14.28 subject to approval by the board, except as otherwise specified in section 353.032, 353.33,

14.29 353.656, or 353E.05. These requirements and the requirements of section 353.03, subdivision

14.30 3, are in addition to the specific requirements of each plan and govern in the event there is

15.1 any conflict between these sections and the procedures specific to any of those plans under
15.2 section 353.33, 353.656, or 353E.06.

15.3 (b) Notwithstanding any law to the contrary, an employee, as defined in section 353.032,
15.4 subdivision 1, clause (2), who applies for a duty disability benefit based on a psychological
15.5 condition, as defined in section 353.032, subdivision 1, clause (7), is not eligible for duty
15.6 disability benefits under this chapter until the employee has satisfied the additional procedure,
15.7 including all completion of treatment requirements under section 353.032.

15.8 **EFFECTIVE DATE.** This section is effective July 1, 2023.

15.9 Sec. 11. Minnesota Statutes 2022, section 353.031, subdivision 3, is amended to read:

15.10 Subd. 3. **Procedure to determine eligibility; generally.** (a) Every claim for a disability
15.11 benefit must be initiated in writing on an application form and in the manner prescribed by
15.12 the executive director and filed with the executive director. To be valid, an application for
15.13 disability benefits must be made within 18 months following termination of public service
15.14 as defined under section 353.01, subdivision 11a, and include the required application form
15.15 and the medical reports required by paragraph (c).

15.16 (b) All medical reports must support a finding that the disability arose before the employee
15.17 was placed on any paid or unpaid leave of absence or terminated public service, as defined
15.18 under section 353.01, subdivision 11a.

15.19 (c) An applicant for disability shall provide a detailed report signed by a licensed medical
15.20 doctor and at least one additional report signed by a medical doctor, psychiatrist, psychologist,
15.21 an APRN, or a chiropractor. The applicant ~~shall~~ must authorize the release of all medical
15.22 and health care evidence, including all medical records and relevant information from any
15.23 source, to support the application for initial, or the continuing payment of, disability benefits.

15.24 (d) All reports must contain an opinion regarding the ~~claimant's~~ applicant's prognosis,
15.25 the duration of the disability, and the expectations for improvement. Any report that does
15.26 not contain and support a finding that the disability will last for at least one year may not
15.27 be relied upon to support eligibility for benefits.

15.28 (e) Where the medical evidence supports the expectation that at some point in time the
15.29 ~~claimant~~ applicant will no longer be disabled, any decision granting disability may provide
15.30 for a termination date upon which disability can be expected to no longer exist. In the event
15.31 a termination date is made part of the decision granting benefits, prior to the actual
15.32 termination of benefits, the ~~claimant~~ applicant shall have the opportunity to show that the
15.33 disabling condition for which benefits were initially granted continues. In the event the

16.1 benefits terminate in accordance with the original decision, the ~~claimant~~ applicant may
16.2 petition for a review ~~by the board of trustees~~ under section ~~353.03, subdivision 3,~~ 356.96
16.3 or may reapply for disability in accordance with these procedures and section 353.33,
16.4 353.656, or 353E.06, as applicable.

16.5 (f) ~~Any claim to disability must be supported by a report from~~ Upon receipt of a valid
16.6 application, the executive director must notify the employer. No later than 30 days after
16.7 receiving the notification, the employer must provide a report to the executive director
16.8 indicating that there is no available work that the ~~employee~~ applicant can perform in the
16.9 ~~employee's~~ applicant's disabled condition and that all reasonable accommodations have
16.10 been considered. Upon request of the executive director, an employer shall provide evidence
16.11 of the steps the employer has taken to attempt to provide reasonable accommodations and
16.12 continued employment to the ~~claimant~~ applicant. The employer shall also provide a
16.13 certification of the ~~member's~~ applicant's past public service; the dates of any paid sick leave,
16.14 vacation, or any other employer-paid salary continuation plan beyond the last working day;
16.15 and whether or not any sick or annual leave has been allowed.

16.16 (g) An ~~employee~~ applicant who is placed on leave of absence without compensation
16.17 because of a disability is not barred from receiving a disability benefit.

16.18 (h) An applicant for disability benefits may file a retirement annuity application under
16.19 section 353.29, subdivision 4, simultaneously with an application for disability benefits. If
16.20 the application for disability benefits is approved, the retirement annuity application is
16.21 canceled. If disability benefits are denied, the retirement annuity application must be
16.22 processed upon the request of the applicant. No member of the ~~public~~ general employees
16.23 ~~general~~ retirement plan, the ~~public employees~~ police and fire plan, or the local government
16.24 correctional service retirement plan may receive a disability benefit and a retirement annuity
16.25 simultaneously from the same plan.

16.26 **EFFECTIVE DATE.** This section is effective July 1, 2023.

16.27 Sec. 12. Minnesota Statutes 2022, section 353.031, subdivision 4, is amended to read:

16.28 Subd. 4. **Additional requirements; eligibility for police and fire or local government**
16.29 **correctional service retirement plan disability benefits.** (a) If an application for disability
16.30 benefits is filed within two years of the date of the injury or the onset of the illness that gave
16.31 rise to the disability application, the application must be supported by evidence that the
16.32 applicant is unable to perform the duties of the position held by the applicant on the date
16.33 of the injury or the onset of the illness causing the disability. The employer must provide
16.34 evidence indicating whether the applicant is able or unable to perform the duties of the

17.1 position held on the date of the injury or onset of the illness causing the disability, a clear
17.2 explanation of any duties that the individual can or cannot perform, and an explanation of
17.3 why the employer may or may not authorize continued employment to the applicant in the
17.4 current or other position.

17.5 (b) If an application for disability benefits is filed more than two years after the date of
17.6 injury or the onset of an illness causing the disability, the application must be supported by
17.7 evidence that the applicant is unable to perform the duties that were expected to be performed
17.8 by the applicant during the 90 days preceding the last day the applicant performed services
17.9 for the employer. The employer must provide evidence of the duties that were expected to
17.10 be performed by the applicant during the 90 days preceding the last day the applicant
17.11 performed services, whether the applicant can or cannot perform those duties overall, a
17.12 clear explanation of any duties that the applicant can or cannot perform, and an explanation
17.13 of why the employer may or may not authorize continued employment to the applicant in
17.14 the current or other position.

17.15 (c) Any report supporting a claim to disability benefits under section 353.656 or 353E.06
17.16 must specifically relate the disability to its cause; and for any claim to duty disability from
17.17 an injury or illness arising out of an act of duty, the report must state the specific act of duty
17.18 giving rise to the claim, and relate the cause of disability to inherently dangerous duties
17.19 specific to the positions covered by the public employees police and fire plan and the local
17.20 government correctional service retirement plan. Any report that does not relate the cause
17.21 of disability to specific inherently dangerous duties performed by the employee may not be
17.22 relied upon as evidence to support eligibility for benefits and may be disregarded in the
17.23 executive director's decision-making process.

17.24 (d) Any application for duty disability must be supported by a first report of injury as
17.25 defined in section 176.231.

17.26 (e) If a member who has applied for and been approved for disability benefits before
17.27 the termination of service does not terminate service or is not placed on an authorized leave
17.28 of absence as certified by the governmental subdivision within 45 days following the date
17.29 on which the application is approved, the application shall be canceled. If an approved
17.30 application for disability benefits has been canceled, a subsequent application for disability
17.31 benefits may not be filed on the basis of the same medical condition for a minimum of one
17.32 year from the date on which the previous application was canceled.

17.33 (f) Notwithstanding section 353.01, subdivision 41, if the member has applied for a duty
17.34 disability based on a psychological condition, the application must be supported by evidence

18.1 that the applicant is unable to perform the duties of the position held by the applicant on
18.2 the date of injury or the onset of the illness or to another position with the employer which
18.3 provides salary and employer-provided benefits, including pension benefits, that are equal
18.4 to or greater than those for the position held by the employee on the date of the injury, event,
18.5 or onset of the mental illness.

18.6 **EFFECTIVE DATE.** This section is effective July 1, 2023.

18.7 Sec. 13. Minnesota Statutes 2022, section 353.031, subdivision 8, is amended to read:

18.8 Subd. 8. **Proof of ~~continuing disability~~ eligibility upon reapplication.** (a) A person
18.9 must not be paid a disability benefit ~~payment must not be made~~ except upon furnishing
18.10 adequate proof ~~furnished~~ to the executive director of the association that the person ~~remains~~
18.11 is disabled and, upon reapplication, that the disability is the same disability for which
18.12 disability benefits were initially granted.

18.13 (b) ~~During the time when~~ At the end of each year of disability benefits are being paid,
18.14 payments for the first five years of disability payments and at the end of every three years
18.15 of disability payments thereafter, the person receiving the disability payments must reapply
18.16 and provide proof of disability to the executive director of the association. The executive
18.17 director has the right, ~~at reasonable times~~ between applications, to require the ~~disabled~~
18.18 member person to submit proof of the continuance of the disability claimed.

18.19 (c) Adequate proof of a disability upon reapplication must include a written expert report
18.20 by a licensed physician, an APRN, or a licensed chiropractor, or, with respect to a mental
18.21 impairment, a licensed psychiatrist or psychologist.

18.22 (d) The reapplication requirement may be waived by the executive director if the
18.23 executive director receives a written statement from the medical adviser retained by the
18.24 association under subdivision 5 that no improvement can be expected in the person's disability
18.25 condition that was the basis for the payment of the disability benefit.

18.26 (e) If the person's reapplication is denied, the person bears the burden of proving eligibility
18.27 for a disability benefit in an appeal under section 356.96.

18.28 **EFFECTIVE DATE.** This section is effective July 1, 2023.

18.29 Sec. 14. Minnesota Statutes 2022, section 353.031, subdivision 9, is amended to read:

18.30 Subd. 9. **Application approval or denial; decision of executive director.** Any decision
18.31 of the executive director is final, except that a member whose application for disability
18.32 benefits or whose ~~continuation of disability benefits~~ reapplication under subdivision 8 is

19.1 denied may appeal the executive director's decision to the board of trustees ~~within 60 days~~
19.2 ~~of receipt of a certified letter notifying the member of the decision to deny the application~~
19.3 ~~or continuation of benefits~~ under section 356.96. In developing the record for review by the
19.4 board when a decision is appealed, the executive director may direct that the applicant
19.5 participate in a fact-finding session conducted by an administrative law judge assigned by
19.6 the Office of Administrative Hearings, and, as applicable, a vocational assessment conducted
19.7 by the qualified rehabilitation counselor on contract with the ~~Public Employees Retirement~~
19.8 association.

19.9 **EFFECTIVE DATE.** This section is effective July 1, 2023.

19.10 Sec. 15. **[353.032] APPLICATION FOR PSYCHOLOGICAL CONDITION**
19.11 **TREATMENT.**

19.12 Subdivision 1. **Definitions.** For the purposes of this section, the following terms have
19.13 the meanings given:

19.14 (1) "mental illness" means diagnosis of a mental illness by a mental health professional,
19.15 and meeting the criteria for a condition or conditions included in the most recent edition of
19.16 the Diagnostic and Statistical Manual of Mental Disorders published by the American
19.17 Psychiatric Association;

19.18 (2) "employee" means an individual diagnosed with a mental illness who is a member
19.19 under section 353.64 or was a member under section 353.64 within the 18 months preceding
19.20 the date of the application under subdivision 2;

19.21 (3) "employer" means an employer of a current or former member of the police and fire
19.22 plan;

19.23 (4) "firefighter" has the meaning given in section 299A.465, subdivision 5, paragraph
19.24 (c);

19.25 (5) "mental health professional" has the meaning given in section 245I.02, subdivision
19.26 27;

19.27 (6) "peace officer" has the meaning given in section 299A.465, subdivision 5, paragraph
19.28 (a);

19.29 (7) "psychological condition" means a mental illness, as defined in clause (1); and

19.30 (8) "treatment" includes but is not limited to active participation in psychological,
19.31 psychopharmaceutical, and functional neurological approaches and active participation in
19.32 the International Association of Fire Fighters Center of Excellence for Behavioral Health

20.1 Treatment and Recovery. Treatment includes utilization of multiple treatment modalities,
20.2 including chemical dependency treatment when indicated, and evidence-based trauma
20.3 treatment.

20.4 Subd. 2. **Application; dual diagnosis.** (a) Notwithstanding any law to the contrary, and
20.5 except as provided in paragraph (b), the procedure in this section applies to an application
20.6 for a duty disability by an employee based on a psychological condition.

20.7 (b) The additional procedure in this section does not apply to a duty disability application
20.8 under paragraph (a) that is also based on a dual diagnosis of a physical condition. An
20.9 employee with a dual diagnosis may, but is not required to, seek treatment under subdivisions
20.10 4 and 7, subject to the procedure in this section.

20.11 Subd. 3. **Approval.** (a) An employee who applies for treatment of a psychological
20.12 condition that was a result of the performance of duties related to the occupation must
20.13 receive approval for psychological treatment as provided under this subdivision.

20.14 (b) The executive director shall grant approval to an employee who submits, in the form
20.15 and manner specified by the executive director:

20.16 (1) a report by a mental health professional diagnosing the employee with a mental
20.17 illness and finding that the employee is currently unable to perform the normal duties of
20.18 the position held by the employee on the date of the injury, event, or onset of the mental
20.19 illness on a full- or part-time basis; and

20.20 (2) documentation from the employer certifying the dates the employee was on duty in
20.21 a position covered under the police and fire plan.

20.22 (c) An employee who receives approval under this subdivision is not considered disabled
20.23 for the purposes of a duty disability under section 353.656, subdivision 1, unless the employee
20.24 completes the additional requirements under this section, receives final confirmation under
20.25 subdivision 6, and applies for disability benefits under section 353.031 before receiving
20.26 duty disability benefits or related benefits.

20.27 (d) The executive director must notify an employing entity electronically and by mail
20.28 that an application for psychological condition treatment has been submitted by an employee
20.29 and request the certification required under paragraph (b), clause (2), from the employing
20.30 entity within six business days after the application has been received by the executive
20.31 director.

20.32 (e) An employer shall submit the certification required under paragraph (b), clause (2),
20.33 within five business days of receiving notice from the executive director, and the employee

21.1 shall receive approval no later than 14 business days after the employee's application is
21.2 received by the executive director, whether or not the employer's certification has been
21.3 submitted. Nothing in this paragraph shall delay the treatment of the psychological condition
21.4 of the employee.

21.5 Subd. 4. **Treatment required.** (a) Except as provided in paragraph (f), an employee
21.6 who receives approval under subdivision 3 shall complete up to 24 consecutive weeks of
21.7 active treatment modalities for the employee's diagnosed mental illness, as provided under
21.8 this subdivision, before a final confirmation can be made under subdivision 6. Treatment
21.9 shall be at the direction of a mental health professional using treatment modalities indicated
21.10 for the treatment of the diagnosed mental illness. An employee shall not be penalized for
21.11 an interruption in active, consecutive treatment that is not initiated by or resulting from an
21.12 intentional action of the employee. Subject to the limit under subdivision 9, the employer
21.13 shall pay for the treatment costs and may seek reimbursement.

21.14 (b) The employee's mental health professional must assess the employee's progress in
21.15 treatment monthly and at the end of the 24 weeks or earlier, including any change to the
21.16 employee's ability to return to the position held by the employee on the date of the injury,
21.17 event, or onset of the mental illness, or to another position with the employer which provides
21.18 salary and employer-provided benefits, including pension benefits, that are equal to or
21.19 greater than those for the position held by the employee on the date of the injury, event, or
21.20 onset of the mental illness. A final confirmation under subdivision 6 must be supported by
21.21 a report from the employee's mental health professional containing an opinion about the
21.22 employee's prognosis, the duration of the disability, and the expectations for improvement
21.23 following the treatment. A report that does not contain and support a finding that the
21.24 employee's disability as a result of a psychological condition will last for at least 12 months
21.25 must not be relied upon to support approval of duty disability benefits.

21.26 (c) The employee may return to full- or part-time work prior to the completion of the
21.27 24 weeks of treatment if the employee's mental health professional determines that they are
21.28 medically able to do so.

21.29 (d) The employee may return to light duty assignments, subject to availability of a
21.30 position, prior to the completion of the 24 weeks of treatment, if deemed medically
21.31 appropriate by the employee's mental health professional and with the employer's approval.

21.32 (e) A fitness for duty presumption shall apply to an employee who is cleared to return
21.33 to work or light duty under paragraph (c) or (d), except as provided under subdivision 10.

22.1 (f) No employee shall be required to complete treatment under this subdivision more
22.2 than three times in ten years.

22.3 Subd. 5. Continuation of salary and benefits. (a) Subject to subdivision 9, for the
22.4 period that an employee is seeking psychological condition treatment approval under
22.5 subdivision 3 or 6, appealing a determination thereof, or receiving treatment under
22.6 subdivision 4 or 7, the employer shall continue:

22.7 (1) to pay, for a current employee only, the employee's full salary and employer-provided
22.8 benefits, including any employer contribution to health care and retirement benefits. The
22.9 employer must proportionally reduce the salary paid to an employee who is otherwise
22.10 receiving benefits for the disability that provide compensation for all or a portion of the
22.11 employee's salary for the same time period. Nothing in this paragraph requires an employer
22.12 to pay more than 100 percent of the employee's salary;

22.13 (2) to provide health insurance benefits to the employee and to the employee's dependents,
22.14 if the employee was receiving dependent coverage at the time of the injury, event, or onset
22.15 of the mental illness under the employer's group health plan; and

22.16 (3) to provide any other employment benefits provided to the employee under the
22.17 employee's currently applicable collective bargaining agreement.

22.18 (b) An employee shall obtain service credit for the treatment period required under
22.19 subdivision 4 or 7.

22.20 (c) Nothing prevents an employer from providing benefits in addition to those required
22.21 by this section or otherwise affects an employee's rights with respect to any other employment
22.22 benefit.

22.23 (d) If an employee is unable to receive treatment through the prescribed treatment
22.24 program due to circumstances beyond the employee's control, which includes but is not
22.25 limited to a lack of availability of a mental health facility or a mental health professional,
22.26 the employee shall continue to receive their regular compensation, benefits, and retirement
22.27 service credits, until such mental health facility or mental health professional becomes
22.28 available to the employee for their treatment program. The continuation of salary and benefits
22.29 allowed under this paragraph must not exceed 30 days beyond the day treatment is prescribed,
22.30 except that continuation of benefits and salary may be extended beyond 30 days if written
22.31 documentation from the mental health facility or mental health professional providing the
22.32 treatment start date is submitted by the employee to the executive director and the employer.

- 23.1 Subd. 6. Termination or continuation of psychological condition treatment. (a)
23.2 Following completion of treatment under subdivision 4, the association shall confirm the
23.3 treatment requirements are satisfied, and make one of the following determinations:
- 23.4 (1) continue the approval for an additional eight weeks for the employee to complete
23.5 additional treatment, as provided under subdivision 7;
- 23.6 (2) terminate the psychological condition treatment because the employee is:
- 23.7 (i) able to return to full-time work in the position held by the employee on the date of
23.8 the injury, event, or onset of the mental illness; or
- 23.9 (ii) able to return to another vacant full-time position with the employer which provides
23.10 salary and employer-provided benefits, including pension benefits, that are equal to or
23.11 greater than those for the position held by the employee on the date of the injury, event, or
23.12 onset of the mental illness, as certified by the employer in the form and manner specified
23.13 by the executive director; or
- 23.14 (3) confirm the employee has met the requirements under section 353.032, after which
23.15 the employee may apply for a duty disability benefit based on a psychological condition
23.16 under section 353.031.
- 23.17 (b) After confirmation and application under paragraph (a), clause (3), the association
23.18 must approve the employee's application for disability benefits if the employee is eligible
23.19 under section 353.031, at which time the employee is entitled to receive disability benefits
23.20 as provided under this section and any related benefits. The disability benefit begins to
23.21 accrue the day following the day on which the employer ceases to continue salary and
23.22 benefits under subdivision 5 and section 353.656, subdivision 4, paragraph (a).
- 23.23 (c) Following completion of the additional treatment requirements under subdivision 7,
23.24 if applicable, the association shall confirm the additional treatment requirements are satisfied,
23.25 after which, the employee may apply for disability benefits because the employee is eligible
23.26 under section 353.031, at which time the employee is entitled to receive disability benefits
23.27 as provided under this section and any related benefits. The disability benefit begins to
23.28 accrue the day following the day on which the employer ceases to continue salary and
23.29 benefits under subdivision 5 and section 353.656, subdivision 4, paragraph (a).
- 23.30 (d) A fitness for duty presumption shall apply to an employee who is determined able
23.31 to return to work as provided under paragraph (a), clause (2), except as provided under
23.32 subdivision 10.

24.1 Subd. 7. **Additional treatment.** (a) Except as provided in paragraph (g), if, after
24.2 completing the treatment required under subdivision 4, the mental health professional's
24.3 report determines that the employee is making progress in treatment, and the employee's
24.4 prognosis is expected to further improve with additional treatment, the association shall
24.5 continue the employee's initial approval under subdivision 6, paragraph (a), clause (1), and
24.6 the employee shall complete up to an additional eight consecutive weeks of active treatment
24.7 modalities as provided under this subdivision.

24.8 (b) Treatment shall be at the direction of a mental health professional using treatment
24.9 modalities indicated for the treatment of the employee's diagnosed mental illness. An
24.10 employee shall not be penalized for an interruption in active, consecutive treatment that is
24.11 not initiated by or resulting from an intentional action of the employee. Subject to subdivision
24.12 9, the employer shall pay for the treatment costs and may seek reimbursement.

24.13 (c) The employee's mental health professional must assess the employee's progress in
24.14 treatment at the end of eight weeks, including any change to the employee's ability to return
24.15 to the position held by the employee on the date of the injury, event, or onset of the mental
24.16 illness, or to another position with the employer which provides salary and employer-provided
24.17 benefits, including pension benefits, that are equal to or greater than those for the position
24.18 held by the employee on the date of the injury, event, or onset of the mental illness. A final
24.19 confirmation under subdivision 6, paragraph (b), must be supported by an updated report
24.20 from the employee's mental health professional containing an opinion about the employee's
24.21 prognosis, the duration of the disability, and the expectations for improvement following
24.22 the additional treatment. An updated report that does not contain and support a finding that
24.23 the employee's disability as a result of a psychological condition will last for at least 12
24.24 months must not be relied upon to support approval of duty disability benefits.

24.25 (d) The employee may return to full- or part-time work prior to the completion of the
24.26 eight weeks of treatment if the employee's mental health professional determines that they
24.27 are medically able to do so.

24.28 (e) The employee may return to light duty assignments, subject to availability of a
24.29 position, prior to the completion of the eight weeks of treatment, if deemed medically
24.30 appropriate by the employee's mental health professional and with the employer's approval.

24.31 (f) A fitness for duty presumption shall apply to an employee who is cleared to return
24.32 to work or light duty under paragraph (d) or (e), except as provided under subdivision 10.

24.33 (g) No employee shall be required to complete treatment under this subdivision more
24.34 than three times in ten years.

25.1 Subd. 8. **Treatment data.** A "health record," as defined by section 144.291, subdivision
25.2 2, paragraph (c), arising from treatment sought under this section is classified as private
25.3 data on individuals, as defined by section 13.02, subdivision 12, and must not be accessed
25.4 by, shared with, or disclosed or disseminated to any individual, private entity, or government
25.5 entity, including through discovery, search warrant, or subpoena, in any type of investigation
25.6 or legal action.

25.7 Subd. 9. **Employer reimbursement; limit.** (a) Except as provided in paragraph (c), an
25.8 employer subject to this section may annually apply by August 1 for the preceding fiscal
25.9 year to the commissioner of public safety for reimbursement of:

25.10 (1) the treatment costs incurred by the employer under subdivision 4 or 7; and

25.11 (2) the costs incurred to continue salary and benefits as required under subdivision 5.

25.12 (b) An employer must apply for the reimbursement in the form and manner specified
25.13 by the commissioner of public safety.

25.14 (c) No employer shall be required to pay for the salary, benefits, and treatment costs
25.15 required under subdivisions 4, 5, and 7 for a single employee more than three times in ten
25.16 years.

25.17 Subd. 10. **Fitness for duty presumption.** (a) An employee who is cleared or determined
25.18 able to return to work or light duty under subdivision 4, paragraph (e); 6, paragraph (c); or
25.19 7, paragraph (f), is presumed fit for duty, except as follows:

25.20 (1) an employer may request a fitness for duty exam by an independent medical provider
25.21 if the exam is completed within six weeks of the employer receiving the determination from
25.22 the treating mental health professional, and the independent medical provider's report is
25.23 completed no more than six weeks later;

25.24 (2) an employee found unfit for duty by an independent medical provider under clause
25.25 (1):

25.26 (i) is presumed eligible for a duty disability, as provided under subdivision 6, paragraph
25.27 (a), clause (3), if the employee otherwise meets the eligibility requirements under section
25.28 353.031; or

25.29 (ii) may appeal the independent medical provider's determination by requesting an
25.30 examination under paragraph (c); and

25.31 (3) the fitness-for-duty timeline under this paragraph may be modified by mutual
25.32 agreement of the employer and employee.

26.1 (b) Nothing in this section shall be deemed to affect the Americans with Disabilities
26.2 Act, United States Code, title 42, chapter 126; the Family Medical Leave Act, United States
26.3 Code, title 29, chapter 28; or the Minnesota Human Rights Act, chapter 363A.

26.4 (c) An employee who wishes to appeal the independent medical provider's determination
26.5 under paragraph (a), clause (2), item (ii), may request an examination by a qualified
26.6 professional selected by the employee from a panel established by mutual agreement among
26.7 the League of Minnesota Cities, the Association of Minnesota Counties, the Minnesota
26.8 Peace and Police Officers Association, the Minnesota Professional Fire Fighters Association,
26.9 the Minnesota Chiefs of Police Association, and the Minnesota Law Enforcement
26.10 Association. The panel shall consist of five licensed psychiatrists or psychologists who have
26.11 expertise regarding psychological or emotional disorders and who are qualified to opine as
26.12 to the employee's fitness to engage in police or firefighting duties. The agreed upon panel
26.13 of qualified professionals must be submitted to the executive director and made available
26.14 for use in the appeal process. If the employee fails to select a qualified professional from
26.15 the panel within ten days of any notice of appeal, the employing entity may select the
26.16 qualified professional from the panel. A determination made by a qualified professional
26.17 under this item is binding and not subject to appeal. This panel may be the same panel as
26.18 the panel established under section 352B.102, subdivision 10.

26.19 Subd. 11. **Report.** No later than four years after the day following final enactment of
26.20 this act, the executive director, in coordination with employers, employees, and mental
26.21 health professionals, shall submit a report to the chairs and ranking minority members of
26.22 the legislative committees with jurisdiction over labor and pensions regarding the impact
26.23 of this section on public safety duty disability trends and costs.

26.24 Subd. 12. **Relationship to workers' compensation.** Nothing in this section shall be
26.25 construed to affect the procedures for an employee's claim for workers' compensation
26.26 benefits under chapter 176 or diminish or delay an employer's or insurer's obligations related
26.27 to an employee's claim for workers' compensation benefits under chapter 176, except that
26.28 when an employee receives psychological condition treatment pursuant to an application
26.29 approved under subdivision 3, the treatment is not compensable under chapter 176.

26.30 **EFFECTIVE DATE.** This section is effective July 1, 2023.

26.31 Sec. 16. **[353.033] PSYCHOLOGICAL CONDITION TREATMENT ACCOUNT.**

26.32 Subdivision 1. **Account created and money appropriated.** The PERA psychological
26.33 condition treatment account is created in the special revenue fund. Money in the account is

27.1 appropriated to the executive director of the Public Employees Retirement Association for
 27.2 administration of the psychological condition treatment under section 353.032.

27.3 Subd. 2. **Account to defray administrative costs.** The executive director of the Public
 27.4 Employees Retirement Association must pay the costs of administering the PERA
 27.5 psychological condition treatment under section 353.032 using the money in the
 27.6 psychological condition treatment account under subdivision 1 until the money is expended.

27.7 Subd. 3. **Commissioner of public safety to pay costs when account is depleted.** When
 27.8 the PERA psychological condition treatment account is depleted, the executive director of
 27.9 the Public Employees Retirement Association may invoice the commissioner of public
 27.10 safety for the costs of administering the psychological condition treatment under section
 27.11 353.032. The commissioner must pay invoices submitted by the executive director of the
 27.12 Public Employees Retirement Association from the public safety officer's benefit account
 27.13 under section 299A.42 within 30 days of receipt.

27.14 **EFFECTIVE DATE.** This section is effective July 1, 2023.

27.15 Sec. 17. Minnesota Statutes 2022, section 353.335, is amended to read:

27.16 **353.335 DISABILITANT EARNINGS REPORTS.**

27.17 Subdivision 1. **Reemployment earnings reporting required.** Unless waived by the
 27.18 executive director, a disability benefit recipient must report all earnings from reemployment
 27.19 and from income from workers' compensation to the association annually by May 15 in a
 27.20 format prescribed by the executive director. If the form is not submitted by May 15, benefits
 27.21 must be suspended effective June 1. If, upon receipt of the form by the association, if, the
 27.22 executive director determines that the disability benefit recipient is ~~deemed by the executive~~
 27.23 ~~director to be~~ eligible for continued payment, benefits must be reinstated retroactive to June
 27.24 1. The executive director may waive the requirements in this section if the medical evidence
 27.25 supports that the disability benefit recipient will not have earnings from reemployment.

27.26 Subd. 2. **Workers' compensation reporting not required.** Notwithstanding subdivision
 27.27 1, a recipient of disability benefits from the police and fire plan must not be required to
 27.28 report to the association any workers' compensation received by the recipient.

27.29 **EFFECTIVE DATE.** This section is effective January 1, 2024.

27.30 Sec. 18. Minnesota Statutes 2022, section 353.656, subdivision 1, is amended to read:

27.31 Subdivision 1. **Duty disability; computation of benefits.** (a) A member of the police
 27.32 and fire plan, ~~other than~~ who (1) is not a firefighter covered by section 353.6511, or a police

28.1 officer covered by section 353.6512, ~~who is determined to qualify for (2)~~ has a condition
 28.2 that meets the definition of a duty disability as defined in under section 353.01, subdivision
 28.3 41, ~~and (3) has filed an application under section 353.031 that was approved by the executive~~
 28.4 director is entitled to receive disability benefits during the period of ~~such~~ disability in an
 28.5 amount equal to 60 percent of the member's average salary as defined ~~in~~ under section
 28.6 353.01, subdivision 17a, plus an additional 3.0 percent of that average salary for each year
 28.7 of service in excess of 20 years.

28.8 (b) To be eligible for a benefit under paragraph (a), the member must have:

28.9 (1) not met the age and vesting requirements for a retirement annuity under section
 28.10 353.651, subdivision 1; or

28.11 (2) met the age and vesting requirements under that subdivision, but does not have at
 28.12 least 20 years of allowable service credit.

28.13 (c) If paragraph (b), clause (2), applies, the disability benefit must be paid for a period
 28.14 of 60 months from the disability benefit accrual date and at the end of that period is subject
 28.15 to provisions of subdivision 5a.

28.16 (d) If the disability under this subdivision occurs before the member has at least five
 28.17 years of allowable service credit in the police and fire plan, the disability benefit must be
 28.18 computed on the average salary from which deductions were made for contribution to the
 28.19 police and fire fund.

28.20 **EFFECTIVE DATE.** This section is effective July 1, 2023.

28.21 Sec. 19. Minnesota Statutes 2022, section 353.656, subdivision 1a, is amended to read:

28.22 Subd. 1a. **Total and permanent duty disability; computation of benefits.** (a) A member
 28.23 of the police and fire plan, ~~other than~~ who (1) is not a firefighter covered by section 353.6511,
 28.24 or a police officer covered by section 353.6512, whose disabling (2) has a condition is
 28.25 ~~determined to be~~ that meets the definition of a duty disability under section 353.01,
 28.26 subdivision 41, and that is also a permanent and total and permanent disability as defined
 28.27 ~~in~~ under section 353.01, subdivision 19, and (3) has filed an application under section
 28.28 353.031 that was approved by the executive director is entitled to receive, for life, a disability
 28.29 ~~benefits~~ benefit in an amount equal to ~~60~~ 99 percent of the member's average salary as
 28.30 defined ~~in~~ under section 353.01, subdivision 17a, ~~plus an additional 3.0 percent of that~~
 28.31 ~~average salary for each year of service in excess of 20 years.~~ Beginning July 1, 2023, a
 28.32 member receiving a benefit under this paragraph must receive a disability benefit in an
 28.33 amount equal to the greater of 99 percent of the member's average salary as defined under

29.1 section 353.01, subdivision 17a, in effect as of the date of the disability or the amount of
 29.2 the disability benefit the member was receiving on June 30, 2023.

29.3 (b) A disability benefit payable under paragraph (a) is subject to ~~eligibility review~~ the
 29.4 reapplication requirements under section 353.33, subdivision 6, but the ~~review~~ reapplication
 29.5 may be waived if the executive director receives a written statement from the ~~association's~~
 29.6 medical advisor retained by the association under section 353.031, subdivision 5, that no
 29.7 improvement can be expected in the member's ~~disabling~~ disability condition that was the
 29.8 basis for payment of the benefit under paragraph (a).

29.9 (c) A member receiving a disability benefit under this subdivision who is found to no
 29.10 longer ~~be permanently and totally disabled~~ have a total and permanent disability as defined
 29.11 under section 353.01, subdivision 19, but continues to ~~meet the definition for receipt of~~
 29.12 have a duty disability as defined under section 353.01, subdivision 41, is subject to
 29.13 subdivision 1 upon written notice from the association's medical advisor that the person is
 29.14 no longer ~~considered permanently and totally disabled~~ has a total and permanent disability,
 29.15 and may, upon application, elect an optional annuity under subdivision 1b.

29.16 ~~(e)~~ (d) If a member approved for disability benefits under this subdivision dies before
 29.17 attaining normal retirement age as defined ~~in~~ under section 353.01, subdivision 37, paragraph
 29.18 (b), or within 60 months of the effective date of the disability, whichever is later, the
 29.19 surviving spouse is entitled to receive a survivor benefit under section 353.657, subdivision
 29.20 2, paragraph (a), clause (1), if the death is the direct result of the disabling condition for
 29.21 which disability benefits were approved, or section 353.657, subdivision 2, paragraph (a),
 29.22 clause (2), if the death is not directly related to the disabling condition for which benefits
 29.23 were approved under this subdivision.

29.24 ~~(d)~~ (e) If the election of an actuarial equivalent optional annuity is not made at the time
 29.25 the ~~permanent and~~ member is entitled to begin to receive total and permanent disability
 29.26 ~~benefit accrues~~ benefits, an election must be made within 90 days before the member attains
 29.27 normal retirement age as defined under section 353.01, subdivision 37, paragraph (b), or
 29.28 ~~having~~ has collected total and permanent disability benefits for 60 months, whichever is
 29.29 later. If a member receiving disability benefits who has dependent children dies, subdivision
 29.30 6a, paragraph (c), applies.

29.31 **EFFECTIVE DATE.** This section is effective July 1, 2023.

30.1 Sec. 20. Minnesota Statutes 2022, section 353.656, subdivision 1b, is amended to read:

30.2 Subd. 1b. **Optional annuity election.** (a) A disabled member of the police and fire fund
30.3 may elect to receive the normal disability benefit or an actuarial equivalent optional annuity.
30.4 If the election of an actuarial equivalent optional annuity is made before the commencement
30.5 of payment of the disability benefit, the member is entitled to begin payment of the optional
30.6 annuity must begin to accrue on the same date as that the normal disability benefit covering
30.7 only the disability benefit recipient would have accrued. would have begun. For the purpose
30.8 of this subdivision, a "normal disability benefit" is a monthly benefit payable for the life of
30.9 the member and equal to a percentage of the member's average salary as defined under
30.10 section 353.01, subdivision 17a. The percentage is 60 percent if the disability is a duty
30.11 disability under subdivision 1 or 99 percent if the disability is a total and permanent disability.

30.12 (b) If an election of an optional annuity is not made before the commencement of the
30.13 disability benefit, the disability benefit recipient may elect an optional annuity:

30.14 (1) within 90 days before normal retirement age;

30.15 (2) upon the filing of an application to convert to an early retirement annuity, if electing
30.16 to convert to an early retirement annuity before the normal retirement age;

30.17 (3) within 90 days before the expiration of the 60-month period for which a disability
30.18 benefit is paid, if the disability benefit is payable because the disabled member did not have
30.19 at least 20 years of allowable service at normal retirement age; or

30.20 (4) upon ~~being determined~~ a determination that the disability benefit recipient continues
30.21 to be disabled under subdivision 1, but ~~is no longer totally and permanently disabled~~ has a
30.22 total and permanent disability under subdivision 1a.

30.23 (c) If a disabled member who has named a joint and survivor optional annuity beneficiary
30.24 dies before the disability benefit ceases and is recalculated under subdivision 5a, the
30.25 beneficiary eligible to receive the joint and survivor annuity may elect to have the annuity
30.26 converted at the times designated in paragraph (b), clause (1), (2), or (3), whichever allows
30.27 for the earliest payment of a higher joint and survivor annuity option resulting from
30.28 recalculation under subdivision 5a, paragraph (e).

30.29 (d) A disabled member may name a person other than the spouse as beneficiary of a
30.30 joint and survivor annuity only if the spouse of the disabled member permanently waives
30.31 surviving spouse coverage on the disability application form prescribed by the executive
30.32 director.

31.1 (e) If the spouse of the member permanently waives survivor coverage, the dependent
31.2 child or children, if any, continue to be eligible for dependent child benefits under section
31.3 353.657, subdivision 3, and the designated optional annuity beneficiary may draw the
31.4 monthly benefit.

31.5 (f) Any optional annuity under this subdivision, plus dependent child benefits, if
31.6 applicable, are subject to the maximum and minimum family benefit amounts specified in
31.7 section 353.657, subdivision 3a.

31.8 **EFFECTIVE DATE.** This section is effective July 1, 2023.

31.9 Sec. 21. Minnesota Statutes 2022, section 353.656, subdivision 3, is amended to read:

31.10 Subd. 3. **Regular disability benefit.** (a) A member of the police and fire plan, ~~other~~
31.11 ~~than~~ who (1) is not a firefighter covered by section 353.6511, or a police officer covered
31.12 by section 353.6512, who qualifies for (2) has at least one year of allowable service, (3) has
31.13 a condition that meets the definition of a regular disability benefit as defined in ~~under~~ section
31.14 353.01, subdivision 46, and (4) has filed an application under section 353.031 that was
31.15 approved by the executive director is entitled to receive a disability benefit, ~~after filing a~~
31.16 ~~valid application,~~ in an amount equal to 45 percent of the member's average salary as defined
31.17 in section 353.01, subdivision 17a.

31.18 (b) To be eligible for a benefit under paragraph (a), the member must have at least one
31.19 year of allowable service credit and have:

31.20 (1) not met the age and vesting requirements for a retirement annuity under section
31.21 353.651, subdivision 1; or

31.22 (2) met the age and vesting requirements under that subdivision, but does not have at
31.23 least 15 years of allowable service credit.

31.24 (c) If paragraph (b), clause (2), applies, the disability benefit must be paid for a period
31.25 of 60 months from the disability benefit accrual date and, at the end of that period, is subject
31.26 to provisions of subdivision 5a.

31.27 (d) For a member who is employed as a full-time firefighter by the Department of Military
31.28 Affairs of the state of Minnesota, allowable service as a full-time state Military Affairs
31.29 Department firefighter credited by the Minnesota State Retirement System may be used in
31.30 meeting the minimum allowable service requirement of this subdivision.

31.31 **EFFECTIVE DATE.** This section is effective July 1, 2023.

32.1 Sec. 22. Minnesota Statutes 2022, section 353.656, subdivision 3a, is amended to read:

32.2 Subd. 3a. **Total and permanent regular disability; computation of benefits.** (a) A
 32.3 member of the police and fire plan, ~~other than~~ who (1) is not a firefighter covered by section
 32.4 353.6511, or a police officer covered by section 353.6512, whose disabling (2) has a
 32.5 condition is determined to be that meets the definition of a regular disability under section
 32.6 353.01, subdivision 46, and that is also a total and permanent and total disability as defined
 32.7 in under section 353.01, subdivision 19, and (3) has filed an application under section
 32.8 353.031 that was approved by the executive director is entitled to receive, for life, a disability
 32.9 benefit in an amount equal to 45 percent of the member's average salary as defined in under
 32.10 section 353.01, subdivision 17a, plus an additional 3.0 percent of that average salary for
 32.11 each year of service in excess of 15 years.

32.12 (b) A disability benefit payable under paragraph (a) is subject to eligibility review under
 32.13 section 353.33, subdivision 6, but the review may be waived if the executive director receives
 32.14 a written statement from the association's medical advisor that no improvement can be
 32.15 expected in the member's disabling condition that was the basis for payment of the benefit
 32.16 under paragraph (a). A member receiving a disability benefit under this subdivision who is
 32.17 found to no longer ~~be permanently and totally disabled~~ have a total and permanent disability
 32.18 as defined under section 353.01, subdivision 19, but continues to meet the definition for
 32.19 receipt of have a regular disability as defined under section 353.01, subdivision 46, is subject
 32.20 to subdivision 3 upon written notice from the association's medical advisor that the person
 32.21 is no longer considered permanently and totally disabled has a total and permanent disability.

32.22 (c) A member approved for disability benefits under this subdivision may elect to receive
 32.23 a normal disability benefit or an actuarial equivalent optional annuity. If the election of an
 32.24 actuarial equivalent optional annuity is not made ~~at the time~~ by the date on which the member
 32.25 is entitled to begin the total and permanent disability benefit accrues, an the election must
 32.26 be made within 90 days before the member attains normal retirement age as defined in
 32.27 section 353.01, subdivision 37, paragraph (b), or having collected, if later, the date on which
 32.28 the member receives the 60th monthly payment of the disability benefits for 60 months,
 32.29 whichever is later benefit. No surviving spouse benefits are payable if the member dies
 32.30 during the period in which a normal ~~total and permanent~~ disability benefit is being paid. If
 32.31 a member receiving disability benefits who has dependent children dies, subdivision 6a,
 32.32 paragraph (c), applies. For the purpose of this subdivision, a "normal disability benefit" is
 32.33 a monthly benefit payable for the life of the member.

32.34 **EFFECTIVE DATE.** This section is effective July 1, 2023.

33.1 Sec. 23. Minnesota Statutes 2022, section 353.656, subdivision 4, is amended to read:

33.2 Subd. 4. **Limitation on disability benefit payments.** (a) No member is entitled to
33.3 receive a disability benefit payment when there remains to the member's credit unused
33.4 annual leave, sick leave, or any other employer-provided salary continuation plan, or under
33.5 any other circumstances when, during the period of disability, there has been no impairment
33.6 of the person's salary as a police officer, a firefighter, or a paramedic as defined in section
33.7 353.64, subdivision 10, whichever applies.

33.8 (b) This paragraph applies to members who begin disability payments before August 1,
33.9 2023, and either are not required to reapply under section 353.031, subdivision 8, or have
33.10 not reached the end of one year or three years, as applicable, when reapplication under
33.11 section 353.031, subdivision 8, is required. If a disabled member resumes a gainful
33.12 occupation with earnings that, when added to the single life disability benefit, and workers'
33.13 compensation benefit if applicable, exceed the disability benefit recipient's reemployment
33.14 earnings limit, the amount of the disability benefit must be reduced during the months of
33.15 employment and receipt of workers' compensation benefits, if applicable, as provided in
33.16 this paragraph. The disability benefit recipient's reemployment earnings limit is the greater
33.17 of:

33.18 (1) the monthly salary earned at the date of disability²; or

33.19 (2) 125 percent of the base monthly salary currently paid by the employing governmental
33.20 subdivision for similar positions.

33.21 ~~(e)~~ The disability benefit must be reduced by one dollar for each three dollars by which
33.22 the total amount of the current monthly disability benefit, any monthly workers' compensation
33.23 benefits if applicable, and actual monthly earnings exceed the greater disability benefit
33.24 recipient's reemployment earnings limit. In no event may the monthly disability benefit as
33.25 adjusted under this subdivision exceed the disability benefit originally allowed.

33.26 (c) This paragraph applies to members who begin disability payments or are required
33.27 to reapply under section 353.031, subdivision 8, on or after July 1, 2023. If a disabled
33.28 member resumes a gainful occupation with earnings, the amount of the member's disability
33.29 benefit must be reduced by a pro rata share each year until normal retirement age of the
33.30 sum of clauses (1) and (2), not to exceed the amount of the member's disability benefit:

33.31 (1) for members with less than 20 years of service for a duty disability benefit or less
33.32 than 15 years of service for a regular disability benefit, one dollar for each dollar of
33.33 reemployment earnings, but not more than the lesser of (i) and (ii), but not to exceed the
33.34 employee contribution rate as defined under section 353.65, subdivision 2, multiplied by

34.1 the average salary used to determine the amount of the member's disability benefit when
34.2 granted:

34.3 (i) an amount equal to the employee contribution rate as defined under section 353.65,
34.4 subdivision 2, multiplied by the average salary used to determine the amount of the member's
34.5 disability benefit, when granted, multiplied by the difference between 20 for a duty disability
34.6 benefit or 15 for a regular disability benefit and the member's years of service, divided by
34.7 55 minus the member's age at the time of disability; or

34.8 (ii) 50 percent of the member's yearly reemployment earnings; and

34.9 (2) for all members, one dollar for each dollar by which the sum of the current disability
34.10 benefit plus actual monthly reemployment earnings exceeds the base monthly salary currently
34.11 paid by the employing governmental subdivision for similar positions.

34.12 (d) Paragraphs (b) and (c) do not apply to a member receiving total and permanent
34.13 disability benefits under section 353.656, subdivision 1a or 3a.

34.14 **EFFECTIVE DATE.** This section is effective January 1, 2024.

34.15 Sec. 24. Minnesota Statutes 2022, section 353.656, subdivision 6a, is amended to read:

34.16 Subd. 6a. **Disability survivor benefits for ~~pre-July~~ members disabled before July 1,**
34.17 **2007, disabilitants.** (a) If a member who is receiving a disability benefit that was granted
34.18 under the laws in effect before July 1, 2007, dies before attaining normal retirement age as
34.19 defined under section 353.01, subdivision 37, paragraph (b), or within five years of the
34.20 effective date of the disability, whichever is later, the surviving spouse shall receive a
34.21 survivor benefit under section 353.657, subdivision 2, paragraph (a), clause (2); or 2a, unless
34.22 the surviving spouse elected to receive a refund under section 353.32, subdivision 1. The
34.23 joint and survivor optional annuity under subdivision 2a is based on the minimum disability
34.24 benefit under subdivision 1 or 3, or the deceased member's allowable service, whichever is
34.25 greater.

34.26 (b) If the disability benefit was granted under the laws in effect before July 1, 2007, and
34.27 ~~the disabilitant~~ disabled member is living at the age required for receipt of a retirement
34.28 annuity under section 353.651, subdivision 1, or five years after the effective date of the
34.29 disability, whichever is later, the disabled member may continue to receive a normal disability
34.30 benefit, or the member may elect a joint and survivor optional annuity under section 353.30.
34.31 The optional annuity is based on the minimum disability benefit under subdivision 1 or 3,
34.32 or the member's allowable service, whichever is greater. The election of this joint and
34.33 survivor annuity must occur within 90 days before attaining normal retirement age as defined

35.1 under section 353.01, subdivision 37, paragraph (b), or within 90 days before the five-year
35.2 anniversary of the effective date of the disability benefit, whichever is later. The optional
35.3 annuity takes effect the first of the month following the month in which the person attains
35.4 the age required for receipt of a retirement annuity under section 353.651, subdivision 1,
35.5 or reaches the five-year anniversary of the effective date of the disability benefit, whichever
35.6 is later.

35.7 (c) If any disabled member dies while receiving a benefit and has a dependent child or
35.8 children, the association shall grant a dependent child benefit under section 353.657,
35.9 subdivision 3.

35.10 **EFFECTIVE DATE.** This section is effective July 1, 2023.

35.11 Sec. 25. Minnesota Statutes 2022, section 353.656, subdivision 10, is amended to read:

35.12 Subd. 10. ~~Accrual of benefits~~ **Entitlement to receive a disability benefit.** (a) Except
35.13 for a total and permanent disability under subdivision 1a, a member is entitled to begin to
35.14 receive payment of a disability benefit ~~begins to accrue~~ when the ~~applicant~~ member is no
35.15 longer receiving any form of compensation, whether salary or paid leave 90 days preceding
35.16 the filing of an application; or, if annual or sick leave, or any other employer-paid salary
35.17 continuation plan is paid for more than the 90-day period, from the date on which the
35.18 payment of salary ceased, whichever is later. Except for a total and permanent disability
35.19 under subdivision 1a, no member is entitled to receive a disability benefit payment when
35.20 there remains to the member's credit any unused annual leave, sick leave, or any other
35.21 employer-paid salary continuation benefit, or under any other circumstances when, during
35.22 the period of disability, there has been no impairment of the person's salary.

35.23 (b) Payment of the disability benefit must not continue beyond the end of the month in
35.24 which entitlement has terminated. If the ~~disabled member~~ disabled member dies prior to negotiating
35.25 the check for the month in which death occurs, payment must be made to the surviving
35.26 spouse or, if none, to the designated beneficiary or, if none, to the estate.

35.27 **EFFECTIVE DATE.** This section is effective July 1, 2023.

35.28 Sec. 26. **[626.8478] WELLNESS TRAINING.**

35.29 **Subdivision 1. Learning objectives and training course.** (a) The board must create
35.30 learning objectives to prepare peace officers for the stressful and traumatic events that are
35.31 common to policing and teach officers methods to process and cope with the stress and

36.1 trauma inherent to policing. The learning objectives must be updated as the board considers
36.2 appropriate.

36.3 (b) The commissioner of public safety, in consultation with the board, must create a
36.4 training course that incorporates each of the learning objectives established by the board
36.5 under paragraph (a).

36.6 Subd. 2. **Preservice training required.** (a) The learning objectives developed pursuant
36.7 to subdivision 1 must be included in the required curriculum of a professional peace officer
36.8 education program.

36.9 (b) A person is not eligible to take the peace officer licensing examination after July 1,
36.10 2024, unless the individual has received the training described in paragraph (a).

36.11 Subd. 3. **In-service training required.** Beginning July 1, 2024, the chief law enforcement
36.12 officer of every state and local law enforcement agency shall provide in-service wellness
36.13 training to every peace officer and part-time peace officer employed by the agency. The
36.14 training must comply with the learning objectives developed and approved by the board
36.15 and must meet board requirements for board-approved continuing education credit. A peace
36.16 officer with a license renewal date after June 30, 2024, is not required to complete this
36.17 training until the officer's next full three-year licensing cycle.

36.18 Subd. 4. **Record keeping required.** The head of each local and state law enforcement
36.19 agency shall maintain written records of the agency's compliance with the requirements of
36.20 subdivision 3. The written records are subject to periodic review by the board and must be
36.21 made available to the board at its request.

36.22 **EFFECTIVE DATE.** This section is effective July 1, 2023.

36.23 Sec. 27. **TRANSFERS TO THE PSYCHOLOGICAL CONDITION TREATMENT**
36.24 **ACCOUNTS.**

36.25 (a) \$1,000,000 in fiscal year 2024 is transferred from the general fund to the MSRS
36.26 psychological condition treatment account under Minnesota Statutes, section 352B.103.

36.27 (b) \$3,000,000 in fiscal year 2024 is transferred from the general fund to the PERA
36.28 psychological condition treatment account under Minnesota Statutes, section 353.033.

36.29 (c) This is a onetime transfer.

37.1 Sec. 28. **TRANSFERS TO THE PUBLIC SAFETY OFFICER'S BENEFIT**
37.2 **ACCOUNT.**

37.3 \$100,000,000 in fiscal year 2024 is transferred from the general fund to the public safety
37.4 officer's benefit account under Minnesota Statutes, section 299A.42, and appropriated to
37.5 the commissioner of public safety for the following uses:

37.6 (1) to cover administrative costs of the Department of Public Safety to administer
37.7 reimbursements under Minnesota Statutes, section 299A.465, and costs to implement and
37.8 administer Minnesota Statutes, section 626.8478;

37.9 (2) to cover administrative costs of the Minnesota State Retirement System and the
37.10 Public Employees Retirement Association after the respective psychological condition
37.11 treatment accounts under Minnesota Statutes, section 352B.103 or 353.033, are depleted;
37.12 and

37.13 (3) to fund reimbursements of public employers under Minnesota Statutes, section
37.14 299A.465.

37.15 This is a onetime transfer. If, for a fiscal year after 2024, the public safety officer's benefit
37.16 account does not have enough money remaining from the \$100,000,000 transferred to it in
37.17 fiscal year 2024 to cover all administrative costs and reimbursements under clauses (1) to
37.18 (3), the commissioner of public safety must first cover the costs under clause (2) for the
37.19 fiscal year and, if any funds remain in the public safety officer's benefit account, the
37.20 commissioner must cover the costs under clause (3) next and, if any funds remain in the
37.21 public safety officer's benefit account, the commissioner must cover the costs under clause
37.22 (1).

37.23 Sec. 29. **REPEALER.**

37.24 Minnesota Statutes 2022, section 353.656, subdivisions 2 and 2a, are repealed.

37.25 **EFFECTIVE DATE.** This section is effective January 1, 2024.

353.656 DISABILITY BENEFITS.

Subd. 2. **Benefits paid under workers' compensation law.** (a) When the amount determined under paragraph (b) exceeds the equivalent salary determined under paragraph (c), the disability benefit amount must be reduced to that amount which, when added to the workers' compensation benefits, equals the equivalent salary.

(b) When a member receiving a disability benefit as specified in this section is also entitled to receive lump sum or periodic benefits under workers' compensation laws, the single life annuity actuarial equivalent disability benefit amount and the workers' compensation amount must be added. The computation must exclude any attorney fees paid by the disability benefit recipient as authorized under applicable workers' compensation laws. The computation must also exclude permanent partial disability payments provided under section 176.101, subdivision 2a, and retraining payments under section 176.102, subdivision 11, if the permanent partial disability or retraining payments are reported to the executive director in a manner specified by the executive director.

(c) The equivalent salary is the amount determined under clause (1) or (2), whichever is greater:

(1) the salary the disabled member received as of the date of the disability; or

(2) the salary currently payable for the same employment position or substantially similar positions in the applicable government subdivision.

Subd. 2a. **Reduction restored; overpayment.** A disabled member who is eligible to receive a disability benefit under subdivision 2 as of June 30, 1987, and whose disability benefit amount had been reduced prior to July 1, 1987, as a result of the receipt of workers' compensation benefits, must have the disability benefit payment amount restored, as of July 1, 1987, calculated in accordance with subdivision 2. However, a disabled member is not entitled to receive retroactive repayment of any disability benefit amounts lost before July 1, 1987, as a result of the reduction required before that date because of the receipt of workers' compensation benefits.

Any disability benefit overpayments made before July 1, 1987, and occurring because of the failure to reduce the disability benefit payment to the extent required because of the receipt of workers' compensation benefits, may be collected by the association through the reduction of disability benefit or annuity payment made on or after July 1, 1987, until the overpayment is fully recovered.